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C O N F I D E N T I A L SECTION 01 OF 02 BEIJING 001698

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TAGS: [PGOV](#) [PHUM](#) [SOCI](#) [CH](#)
SUBJECT: FARE HIKES SPARK HUNAN RIOTS, CROWDS TURN ON POLICE

REF: A. 06 BEIJING 24242
[1](#)B. 05 BEIJING 9602

Classified By: Political Section Internal Unit Chief Susan A. Thornton.
Reasons 1.4 (b/d).

Summary

[1](#)1. (C) A Hunan security officia confirmed a Xinhua News Service report that the March 9-10 violent protests over bus fare hikes in Yongzhou have tapered off. He denied foreign and Hong Kong news reports that a student was killed in the tumult. Security officials are now engaged in two investigations, one to find the "instigators" of the unrest and another into potential misconduct by the And Bus Company. Unlike in urban areas where governments regulate ticket prices, transport in China's rural areas is often privatized. Busfirms and local governments commonly conspire to maximize profits at the expense of passengers, contacts said. That protesters targeted security personnel is no surprise, as public opinion poll respondents consistently rank police at the bottom of government service providers in China. With the exception of the March 13 Xinhua dispatch, Mainland media has remained mum on the riots for fear of falling afoul of the censors. End Summary.

Buses, Police Cars Burned

[1](#)2. (C) Foreign press and the official Xinhua News Service reported March 13 that violent protests erupted in Lingling district in Yongzhou, Hunan Province on March 9-10 because the local Anda Bus Company had raised ticket prices by 80 percent. To protest the fare hike, several thousand people gathered at the local bus station, foreign press reports and overseas Chinese websites indicated. As the demonstration escalated, police cars and Anda buses were overturned and burned. After a middle school student was allegedly beaten to death, crowds reportedly swelled to some 10,000 to 20,000, Hong Kong and overseas news outlets claimed. A local police official denied that there were any fatalities and the Xinhua piece makes no mention of deaths or injuries.

[1](#)3. (C) An official at the Yongzhou Public Security Bureau (PSB) who declined to give his name confirmed to Poloff that the incident had been "serious" but that the situation was now under control. Though unable to estimate the number of protesters, he nonetheless acknowledged that "a lot" of people participated. Police have deployed extra personnel to Yongzhou to guard against any renewed violence and to facilitate ongoing investigations. Two probes are currently underway, the official said. One aims to

find the "instigators" of the unrest and the other targets potential misconduct by Anda. The PSB official claimed he could not confirm reports that the bus company had hired thugs to quell the crowds, although he acknowledged that it was a possibility.

Police Targeted, Media Stays Mum

14. (C) Although urban areas tend to regulate bus and subway ticket prices, smaller cities and rural areas often have privatized transport systems, said Victor Yuan (protect), president and founder of the Horizon public opinion polling firm. Coach companies and local governments commonly conspire to keep fares high, with corrupt officials getting a cut of the profits. The losers are bus travelers, who are generally among society's poorest citizens and who have few avenues for airing grievances, Yuan observed. Whether or not a student died in the confrontation, the fact that protesters wound up directing their ire at security personnel should come as no surprise, Yuan remarked, stressing that public opinion polls consistently rank police at or near the bottom of government service providers in China.

15. (C) Existing Propaganda Department rules prohibit Chinese media from reporting on so-called "mass incidents" while they are ongoing, said Zhou Qing'an (protect), an associate professor at the Tsinghua University School of Journalism and Communication who regularly contributes to the progressive daily The Beijing News. (Note: A much-publicized draft law on "sudden incidents" (ref A) that includes strict

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limitations on coverage of social discord has not yet been passed. End note.) Instead, news outlets are expected to convey positive results, emphasizing government responsiveness to public concerns, after incidents conclude.

16. (C) Reflective of this, the Xinhua story stressed that local officials have contained the situation, Zhou said, speculating that Hunan Province propaganda authorities helped the official news agency draft the dispatch. Although there is no concerted crackdown on media underway in connection with the continuing meetings of the National People's Congress and Chinese People's Political Consultative Conference sessions in Beijing, Zhou said outlets are treading carefully regarding the Hunan incident. Propaganda guardians' antennae are on high alert for controversial content during the legislative session. "Any newspaper or web site publishing an unsanctioned report would get in big trouble," Zhou commented.

Comment

17. (C) Details about the unrest in Hunan remain sketchy, although it is likely an isolated incident that is not part of a larger protest movement. While bus fare hikes as opposed to land seizures appear to be the catalyst for this iteration of social discord, the Yongzhou incident shares a common trait with other protest activity we have seen in China in recent years. The riots likely constituted a popular reaction against a powerful business in league with local government baldly pursuing its interests at the expense of regular citizens.

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